

## SESSION 03-07 OF ALTERNATE REPRESENTATIVES

### SUMMARY RECORD

The Commission for Environmental Cooperation (CEC) Council, represented by its Alternate Representatives, met via conference call on 19 December 2003. Mr. José Manuel Bulás (Mexico) chaired the meeting. Ms. Norine Smith and Mr. Jerry Clifford represented Canada and the United States, respectively. Mr. Gustavo Alanís-Ortega and Donna Tingley represented the Joint Public Advisory Committee (JPAC). Mr. William Kennedy, CEC Executive Director, represented the Secretariat. Ms. Julie-Anne Bellefleur, Council Secretary, acted as secretary for the session. Other officials of the Parties and the Secretariat were also in attendance.

#### **Item 1 Adoption of the Agenda**

The Alternate Representatives adopted the agenda based on the provisional agenda (Annex A).

#### **Item 2 Report by the Executive Director**

In the interest of time, the Executive Director limited his report to introductory remarks for the discussion on the 2004-06 Operational Plan. He expressed some concerns relating to proposed changes under Objectives A and B of Goal 3. Referring to the precarious situation of the North American Fund for Environmental Cooperation (NAFEC), he cited an extract of the June 2000 Report on the Internal Review of NAFEC, which suggested that an adequate level of funding for maintaining the integrity and efficiency of the fund was estimated at a minimum of US\$1,000,000. The report also suggested that an alternative—in the absence of adequate funding—would consist of replacing NAFEC with a more strategic program targeted at the community level.

#### **Item 3 Report by JPAC Chair**

The JPAC Chair provided an update on the JPAC meetings held on 4-5 December in Miami. He indicated that JPAC had submitted its advice on Articles 14 and 15 (limiting the scope of factual records and review of the operation of Council Resolution 00-09) and would soon be submitting advice on invasive species. He informed the Alternate Representatives of JPAC's decision—following a private meeting with members of the Ten-year Review and Assessment Committee (TRAC)—to postpone any decision relating to the conduct of a self-evaluation until the TRAC report has been published, so as to avoid the duplication of efforts. JPAC also suggested to the TRAC that a public meeting be organized on the margins of the June 2004 Council Session in order to present the findings of the TRAC's report. Referring to JPAC's recent letter relating to the importance of improving communications and of making the best use of the Council and JPAC's time when they meet in June 2004, he suggested that this issue be discussed with the Alternate Representatives at their joint meeting in March 2004 in Oaxaca.

#### **Item 4 2004–06 Operational Plan**

The Alternate Representatives reached general agreement on the 2004-06 Operational Plan and budget, as per the attached 2004 budget reconciliation (Annex B), pending further discussion of the following issues by the General Standing Committee (GSC) in early January:

***Goal 1, Objective B: Trade officials and the public understand the environmental effects of liberalized trade and use that understanding to inform new agreements***

- Contingent on review by Canada and Mexico of the United States proposal related to Strategies 1 and 2.

***Goal 3, Objective A: Conserve North America's biodiversity and use it sustainably***

- Subject to review and discussion of the United States proposal related to structuring and content of this Objective and to the integration of all biodiversity related work under Objective A.
- Proposed budget to be reviewed taking into account that additional savings identified by the Secretariat may be achieved as a result of the new travel policy for government representatives.

***Goal 3, Objective B: Ensure North American environmental, economic and trade policies are mutually supportive***

- Strategy 1 (renewable energy): Pending further discussion of the Secretariat's reformulation of related projects and corresponding budget.
- Strategy 2 (environmental labeling) and Strategy 3 (disclosure of environmental information): Contingent on review by Canada and Mexico of revised language proposed by the United States.

***Article 13 report (Maize and Biodiversity)***

- The United States suggested that the level of funding for the Article 13 report on Maize and Biodiversity be revisited in order to determine whether further savings can be achieved under this initiative.

The Alternate Representatives agreed on the importance of staffing the two vacant positions within the Pollutants and Health program in support of the Sound Management of Chemicals, Pollutant Release and Transfer Register and Children's Health and the Environment projects.

Finally, it was noted that in spite of concerted efforts to identify additional savings in support of the NAFEC, the amount of funds available for this initiative was well below the threshold amount deemed appropriate for maintaining the efficiency of the fund. The Parties and JPAC therefore agreed with the Secretariat's suggestion to work with JPAC in developing a proposal for the implementation of a capacity development initiative. Funding for this initiative will be supplemented by the amount of funds available once the 2004-06 Operational Plan and 2004 budget is finalized.

**Item 5 2004 Council Session**

As host of the Eleventh Regular Session of the Council, Mexico proposed some dates for a June 2004 session. As the proposed dates conflicted with other commitments of the Canadian and United States Council members, Mexico undertook to propose a new set of dates for a June meeting during the first week of January. The venue will be determined upon confirmation of a date for the session.

**Item 6 Other Issues**

No other issues were discussed.

**Item 7 Next Session of Alternate Representatives**

The Alternate Representatives will meet via conference call in January 2004 in order to finalize the 2004-06 Operational Plan, should this be necessary following discussions at the GSC level. They will also meet in March 2004 in Oaxaca, Mexico, in conjunction with the Symposium on Maize and Biodiversity and the JPAC meeting.

**Item 8 Closure of the Session**

Before closing the session, the Alternate Representatives thanked Gustavo Alanís-Ortega for his valuable advice and participation in Council sessions during his tenure as JPAC Chair over the past year.

**SESSION 03-07 OF ALTERNATE REPRESENTATIVES  
AGENDA**

Held via conference call on  
Friday, 19 December from 12:00 to 1:30 p.m., Eastern Standard Time  
(11:00 to 12:30, Mexico time)

**Chair: Mexico**

- Item 1 Adoption of the agenda
- Item 2 Report by Executive Director
- Item 3 Report by JPAC Chair
- Item 4 2004—2006 Operational Plan
- Item 5 2004 Regular Session of Council
- Item 6 Other issues
- Item 7 Next session of Alternate Representatives
- Item 8 Closure of the session

**SESSION 03-07 OF ALTERNATE REPRESENTATIVES  
ANNOTATIONS TO THE AGENDA**

**Item 1 Adoption of the agenda**

The Council shall adopt the agenda.

**DOCUMENTS:**

- a) Draft annotated agenda (distributed 12-12-2003) C/C.01/03-07/AGEN/01/Rev.1

**Item 2 Report by the Executive Director**

The Executive Director may wish to briefly address the Council on any matter requiring their attention.

**DOCUMENTS:** No document

**Item 3 Report by the JPAC Chair**

Under this item the JPAC Chair may wish to provide a brief update on recent JPAC activities.

**DOCUMENTS:**

- a) Letter dated 10 December 2003 from JPAC to Tulane University (distributed 4-12-2003)

**Item 4 2004—06 Operational Plan**

Further to the November 20-21 session of Alternate Representative, the Secretariat submitted a revised version of the proposed 2004-06 Operational Plan, taking into account the priorities identified by the Alternate Representatives during their last meeting as well as written comments and changes proposed Canada and the US.

The Alternate Representatives are invited to review and approve, as appropriate, the revised draft of the Operational Plan and budget.

**DOCUMENTS:**

- a) Addendum to the revised Operational Plan package (to be distributed 16-12-2003)
- b) Revised draft Operational Plan for 2004—2006 (distributed 5-12-2003)
- c) Memo from the Executive Director dated 5 December 2003 and summary of revised proposals (distributed 5-12-2003)
- d) Budget reconciliation spreadsheet (distributed 5-12-2003)
- e) Proposed timeline for review and approval of 2004-2006 Operational Plan (distributed on 10-10-2003)

**Item 5 Planning of 2004 Council Session**

Further to the suggestion made during their last session, the Alternate Representatives may wish to discuss the viability of postponing the 2004 Council Session and/or confirm the date of the session, as appropriate.

DOCUMENT(S)

- a) Memo dated 2 December 2004 from the Executive Director re: 2004 Council Session and proposed timeline (distributed on 2-12-2003)

**Item 6 Other Issues**

At the time of writing, no other issues had been proposed for discussion.

**Item 7 Next sessions of Alternate Representatives**

The Alternate Representatives will meet next on 11-12 March 2004 in Oaxaca, Mexico for a regular session and a joint meeting with JPAC. Should there be a need for another session in advance of the March meeting, a conference call may be arranged in January or February 2004.

DOCUMENT(S):

- a) Proposed schedule for sessions of Alternate Representatives in 2003—2004 (distributed on 13-11-2003) C/C.01/03-06/PLAN/01/Rev.1

**Item 8 Closure of the session**

The Chairperson is expected to close the session.

2004 Budget Reconciliation	Draft Plan	Alt Reps Recommendation (20-21 Nov.)	Secretariat Proposal	Net difference	Alt. Reps (19 Dec.)	Comments
<b>GOAL 1: To foster understanding of the state of our environment, and its relation to the economy and trade in North American</b>	1,325,000	1,080,000	1,120,000	40,000	1,050,000	
<b>Objective A: The public and the parties have a better understanding of the state of and outlook for the North American environment, and its relation to human and ecosystem health</b>	990,000	915,000	890,000	25,000)	885,000	
<i>Strategy 1: Facilitating data harmonization and information sharing and promoting integrated monitoring across North America to foster better understanding of the current status of the North American environment</i>	900,000	825,000	800,000	(25,000)	795,000	
State of the Environment Information	90,000	75,000	75,000	-	75,000	
North American ambient air monitoring networks (Air)	70,000	70,000	70,000	-	60,000	
North American air emissions and green house gas inventories (Air)	280,000	280,000	280,000	-	245,000	
North American Pollutant Release and Transfer Registry: Taking Stock Report	400,000	400,000	375,000	(25,000)	375,000	
Information exchange on best available technologies for air pollution control (Air)	60,000	-	-	-	40,000	
<i>Strategy 2: Investigating potential environmental threats and issues of common concern by performing comparative analysis and assessments using comparable environmental information collected across North America</i>	50,000	50,000	50,000	-	50,000	
Forward-looking assessments of air pollution/public health/ecosystem interactions (Air)	50,000	50,000	50,000	-	50,000	
<i>Strategy 3: Assessing and informing the public and decision makers on the impacts of environmental degradation on human and ecosystem health in North America</i>	40,000	40,000	40,000	-	40,000	
Children's Health and the Environment	40,000	40,000	40,000	-	40,000	
<b>Objective B: Trade officials and the public understand the environmental effects of liberalized trade and use that understanding to inform new agreements</b>	335,000	165,000	230,000	65,000	165,000	
<i>Strategy 1: Develop Strategic Plan for Trade and Environment</i>	15,000	15,000	15,000	-	15,000	CA/MX to review US proposal
Favour the harmonization of environment and trade policies	10,000		-	-	-	
Increase communication with trade agencies and the FTC	5,000		-	-	-	
<i>Develop Strategic Plan for trade and environment</i>	-	15,000	15,000	-	15,000	
<i>Strategy 2: Assessing and disseminating findings on environment / trade relationships in a transparent manner</i>	200,000	150,000	175,000	25,000	150,000	CA/MX to review US proposal
Assess linkages between trade and environment, focusing on agriculture and energy	50,000	50,000	50,000	-	50,000	
Conduct third North American Symposium on assessing the environmental impacts of trade	150,000	100,000	125,000	25,000	100,000	
<i>Strategy 3: Increasing cooperation and capacity to participate among experts in NAFTA countries on priority environment, economy and trade linkages</i>	120,000	-	40,000	40,000	-	

2004 Budget Reconciliation		Draft Plan	Alt Reps Recommendation (20-21 Nov.)	Secretariat Proposal	Net difference	Alt. Reps (19 Dec.)	Comments
	Test an "environment-first" approach	50,000	-	25,000	25,000	-	
	Facilitate community-based monitoring	50,000	-	15,000	15,000	-	
	Revise the CEC list of environmental indicators	20,000	-	-	-	-	
<b>GOAL 2: To act as a catalyst to improve domestic law and policy, and enhance environmental enforcement and compliance across North America</b>		<b>500,000</b>	<b>405,000</b>	<b>405,000</b>	<b>-</b>	<b>405,000</b>	
<b>Objective A: Enhance cooperation in the development, improvement and dissemination of information about environmental laws, policies, standards and technical requirements</b>		<b>280,000</b>	<b>265,000</b>	<b>265,000</b>	<b>-</b>	<b>265,000</b>	
<i>Strategy 1: Improve the understanding of regulatory and technical requirements, and management techniques in selected sectors</i>		<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>-</b>	<b>50,000</b>	
	"Best Practices" for promoting and safeguarding Water Quality	50,000	50,000	50,000	-	50,000	
	Pulp and Paper Industry Standards and Management Techniques	-	-	-	-	-	
	Chemical Industry	-	-	-	-	-	
<i>Strategy 2: Ensuring that online information about North American environmental laws and policies is up-to-date and easily accessible</i>		<b>15,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
	Law Data Base Development	15,000	-	-	-	-	
<i>Strategy 3: Improving the coordination of environmentally sound management and tracking of transboundary hazardous waste in North America</i>		<b>215,000</b>	<b>215,000</b>	<b>215,000</b>	<b>-</b>	<b>215,000</b>	
	Environmentally Sound Management of Hazardous Waste (EMS)	100,000	100,000	100,000	-	100,000	
	Transboundary Movement of Hazardous Waste	80,000	80,000	80,000	-	80,000	
	Hazardous Waste Code Dictionary	35,000	35,000	35,000	-	35,000	
<b>Objective B: The Parties enhance compliance with, and enforcement of, their environmental laws and regulations</b>		<b>220,000</b>	<b>140,000</b>	<b>140,000</b>	<b>-</b>	<b>140,000</b>	
<i>Strategy 1: Providing a forum for Parties and stakeholders to come together on issues of common concern</i>		<b>220,000</b>	<b>140,000</b>	<b>140,000</b>	<b>-</b>	<b>140,000</b>	
	Enforcement Working Group meetings	60,000	30,000	30,000	-	30,000	
	Enforcement Working Group Publications	60,000	60,000	60,000	-	60,000	
	Enforcement Working Group Conferences and Workshops	100,000	50,000	50,000	-	50,000	
<i>Strategy 2: Ensuring that the Articles 14 and 15 process yields information that can enhance environmental enforcement and compliance in North America</i>					-		
	Please refer to Actions described under Goal4, Objective A				-		
<b>GOAL 3: To mobilize international cooperation to resolve critical North American Environmental issues</b>		<b>2,398,000</b>	<b>2,106,000</b>	<b>2,113,000</b>	<b>7,000</b>	<b>2,096,000</b>	
<b>Objective A: Conserve North America's biodiversity and use it sustainably</b>		<b>752,000</b>	<b>730,000</b>	<b>692,000</b>	<b>(38,000)</b>	<b>730,000</b>	Pending further review of US proposal re: structuring/content of Objective and budget



2004 Budget Reconciliation	Draft Plan	Alt Reps Recommendation (20-21 Nov.)	Secretariat Proposal	Net difference	Alt. Reps (19 Dec.)	Comments
						level
<i>Strategy 1: Contribute to the safeguarding of ecologically-significant regions</i>	301,000	301,000	279,000	(22,000)	301,000	
Biodiversity Strategy	36,000	36,000	26,000	(10,000)	36,000	
Grassland Ecosystem Network	105,000	105,000	102,500	(2,500)	105,000	
North American Marine Protected Areas Network (NA MPA)	160,000	160,000	150,500	(9,500)	160,000	
<i>Strategy 2: Contribute to the conservation and recovery of migratory and transboundary species</i>	339,000	339,000	323,000	(16,000)	339,000	
North American Bird Conservation Initiative	40,000	40,000	40,000	-	40,000	
Terrestrial Species of Common Conservation Concern	145,000	145,000	139,500	(5,500)	145,000	
Marine Species of Common Conservation Concern	154,000	154,000	143,500	(10,500)	154,000	
<i>Strategy 3: Contribute to the reduction or elimination of common threats to North American biodiversity</i>	112,000	90,000	90,000	-	90,000	
Toxics and Birds	22,000	-	-	-	-	
Invasive Species	90,000	90,000	90,000	-	90,000	
<b>Objective B: Ensure North American environmental, economic and trade policies are mutually supportive</b>	445,000	265,000	365,000	100,000	265,000	
<i>Strategy 1: Promote renewable energy, energy efficiency, and carbon sequestration in North America</i>			115,000	115,000	115,000	Pending further discussion of Secretariat's reformulation of related projects and budget
<i>Strategy 2: Foster understanding of environmental labeling</i>	50,000	50,000	37,000	(13,000)	37,000	CA/MX to review language proposed by the US
<i>Strategy 3: Encourage disclosure of relevant environmental information</i>			94,000	94,000	94,000	CA/MX to review language proposed by the US
<i>Strategy 4: Foster green procurement in North America</i>	395,000	215,000	75,000	(140,000)	75,000	
Lead the North American Green Purchasing Initiative (NAGPI)	75,000	75,000	75,000	-	75,000	
<i>Other Items</i>			44,000	44,000	44,000	
Complete the palm project	-	-	19,000	19,000	19,000	
Market-based studies to support SCCC under Biodiversity Program			25,000	25,000	25,000	
Assess market for Green Goods and Services	140,000	-	-	-	-	
Support the creation of networks	25,000	-	-	-	-	
Encourage involvement of financial markets	90,000	90,000	-	(90,000)	-	

2004 Budget Reconciliation		Draft Plan	Alt Reps Recommendation (20-21 Nov.)	Secretariat Proposal	Net difference	Alt. Reps (19 Dec.)	Comments
	Recommend market based policies to support trade in green goods and services	50,000	50,000	-	(50,000)	-	
	Advise the Parties on how to facilitate disclosure of environmental information	15,000	-	-	-	-	
<b>Objective C: Prevent or reduce pollution impacts on human and ecosystem health of mutual concern in North America</b>		<b>1,201,000</b>	<b>1,111,000</b>	<b>1,056,000</b>	<b>(55,000)</b>	<b>1,101,000</b>	
<i>Strategy 1: Facilitating the development and implementation of North American strategies and actions to protect human health and the environment</i>		<b>1,021,000</b>	<b>956,000</b>	<b>876,000</b>	<b>(80,000)</b>	<b>921,000</b>	
	Sound Management of Chemicals Initiative (SMOC)	610,000	610,000	545,000	(65,000)	545,000	
	Regional Program of Action and Demonstration of Sustainable Alternatives to DDT for Malaria Vector Control in Mexico and Central America (DDTRP)	126,000	126,000	126,000	-	126,000	
	Children's Health and the Environment in North America	215,000	180,000	180,000	-	195,000	
	North American Air Working Group	30,000	30,000	15,000	(15,000)	10,000	
	Exchange opportunities for air quality professionals in North America	40,000	10,000	10,000	-	45,000	
<i>Strategy 2: Fostering private sector actions to adopt sound approaches to environmental protection</i>		<b>180,000</b>	<b>155,000</b>	<b>180,000</b>	<b>25,000</b>	<b>180,000</b>	
	Capacity Building for pollution prevention	105,000	105,000	105,000	-	105,000	
	Environmental Management Systems (EMS)	65,000	50,000	65,000	15,000	65,000	
	Environmental Auditing	10,000	-	10,000	10,000	10,000	
	Voluntary Corporate Environmental Stewardship	-	-	-	-	-	
<b>GOAL 4: To provide a forum for public dialogue and participation concerning environmental issues in North America in all its activities</b>		<b>351,500</b>	<b>351,500</b>	<b>351,500</b>	<b>-</b>	<b>351,500</b>	
<b>Objective A: The North American public and NAAEC Parties view the citizen submission process as a useful and valuable mechanism for enhancing enforcement of and compliance with environmental law in North America</b>		<b>351,500</b>	<b>351,500</b>	<b>351,500</b>	<b>-</b>	<b>351,500</b>	
					-		
	Citizen Submission Process	351,500	351,500	351,500	-	351,500	
					-		
<b>GOAL 5: Cross-Cutting Goals</b>		<b>351,900</b>	<b>351,900</b>	<b>351,900</b>	<b>-</b>	<b>351,900</b>	
<b>Objective A: Communications</b>		<b>351,900</b>	<b>351,900</b>	<b>351,900</b>	<b>-</b>	<b>351,900</b>	
<b>GOAL 6: Administration</b>		<b>1,966,200</b>	<b>1,966,200</b>	<b>1,951,200</b>	<b>(15,000)</b>	<b>1,951,200</b>	
	Telecommunications	112,000	112,000	112,000	-	112,000	
	Operating equipment	124,000	124,000	124,000	-	124,000	
	Relocation orientation	50,000	50,000	50,000	-	50,000	
	Recruitment	15,000	15,000	15,000	-	15,000	
	External administrative support	244,800	244,800	244,800	-	244,800	
	Documentation Centre	114,000	114,000	114,000	-	114,000	
	Corporate Office	202,500	202,500	202,500	-	202,500	

2004 Budget Reconciliation		Draft Plan	Alt Reps Recommendation (20-21 Nov.)	Secretariat Proposal	Net difference	Alt. Reps (19 Dec.)	Comments
Mexico Liaison office		226,300	226,300	226,300	-	226,300	
Office supplies		155,000	155,000	140,000	(15,000)	140,000	
Rent		722,600	722,600	722,600	-	722,600	
<b>GOAL 7: Special initiatives</b>		<b>1,340,100</b>	<b>1,340,100</b>	<b>1,326,100</b>	<b>(14,000)</b>	<b>1,264,100</b>	
Article 13		293,600	293,600	293,600	-	281,600	
Ten-year review		100,000	100,000	100,000	-	100,000	
2004-2006 program		54,000	54,000	30,000	(24,000)	30,000	
Support to Council		265,500	265,500	265,500	-	265,500	
Support to JPAC		360,000	360,000	360,000	-	360,000	
Monitoring, Evaluation and Reporting (MER)		90,000	90,000	50,000	(40,000)	50,000	
Annual Report		27,000	27,000	27,000	-	27,000	
Reserve for unforeseen needs		150,000	150,000	200,000	50,000	150,000	
Salaries		3,967,827	3,967,827	3,983,000	15,173	3,983,000	
<b>Total Budget</b>		<b>12,200,527</b>	<b>11,568,527</b>	<b>11,601,700</b>	<b>33,173</b>	<b>11,452,700</b>	
<b>Other Items</b>							
NAFEC				-		-	
10 (6)				-		-	
10 (7)				-		-	
P&H	Restore SMOC position			100,000	100,000	100,000	
P&H	Restore PRTR/CEH position			100,000	100,000	100,000	
<b>Postponed from 2003</b>							
	Delay in SOE contracts			(60,000)	(60,000)	(60,000)	
	Reduction in Air meeting costs			(40,000)	(40,000)	(40,000)	
<b>TOTAL</b>		<b>12,200,527</b>	<b>11,568,527</b>	<b>11,701,700</b>		<b>11,552,700</b>	
<b>BUDGET</b>		<b>11,751,500</b>	<b>11,751,500</b>	<b>11,751,500</b>		<b>11,751,500</b>	
<b>DIFFERENCE</b>		<b>(449,027)</b>	<b>182,973</b>	<b>49,800</b>		<b>198,800</b>	